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FORD BUDGET IN PERSPECTIVE

ANNCR:

PRESIDENT FORD SAYS HIS ADMINISTRATION'S NATIONAL BUDGET FOR FISCAL YEAR 1977 MEETS THE TEST OF RESPONSIBLE FISCAL POLICY. VOA BUSINESS EDITOR FRANK FEINBERG HAS THESE OBSERVATIONS ON THE PROPOSED BUDGET, AND ITS IMPLICATIONS:

VOICE:

TWENTY-FIVE YEARS AGO PRESIDENT HARRY TRUMAN OCCUPIED THE WHITE HOUSE. THE U.S. POPULATION THEN WAS SOME ONE-HUNDRED-FIFTY MILLION PERSONS, AND MISTER TRUMAN SUBMITTED TO THE CONGRESS A BUDGET SOMEWHAT OVER FORTY-THOUSAND MILLION DOLLARS. TODAY, GERALD FORD IS THE PRESIDENT OF ABOUT TWO-HUNDRED-TWENTY MILLION AMERICANS. AND HE HAS JUST SUBMITTED A NATIONAL BUDGET FOR THE FISCAL YEAR BEGINNING NEXT SEPTEMBER OF THREE-HUNDRED-NINETY-FOUR THOUSAND MILLION DOLLARS. THUS WHILE THE U.S. POPULATION HAS INCREASED LESS THAN TWO-FOLD, GOVERNMENT SPENDING HAS INCREASED TEN-FOLD. (OPT) PRESIDENT FORD, ACCOMPANIED BY HIS CABINET, MET WITH REPORTERS TUESDAY TO ELEBORATE ON HIS BUDGET PROPOSALS, AND TO ANSWER THEIR QUESTIONS. HE IS THE FIRST U.S. PRESIDENT SINCE MISTER TRUMAN TO FOLLOW THIS PRACTICE. (END OPT)

PRESIDENT FORD'S BUDGET, IN HIS WORDS, IS AN HONEST, REALISTIC FISCAL POLICY -- A POLICY THAT SAYS THE NATION CAN STEADILY REDUCE INFLATION AND UNEMPLOYMENT -- IF THE NATION MAINTAINS A PRUDENT, BALANCED APPROACH TO NATIONAL OBJECTIVES. HE EMPHASIZES THAT THE NATIONAL GOVERNMENT'S ROLE IN MANY DOMESTIC FIELDS SHOULD DECREASE, AND THAT MORE RELIANCE

SHOULD BE PLACED IN LOCAL GOVERNMENTS, THE PRIVATE SECTOR, AND ABOVE ALL, THE INDIVIDUAL'S OWN CAPABILITIES.

THE U.S. BUDGET FOR FISCAL YEAR 1977 CONTINUES -- AND UNDERSCORES -- THE FIRM CONVICTION OF PRESIDENT FORD, TREASURY SECRETARY WILLIAM SIMON AND OTHER RANKING ADMINISTRATION OFFICIALS THAT THE TREND TOWARD BIGGER AND BIGGER GOVERNMENT MUST BE RESTRAINED, AND REVERSED. THE NEW BUDGET REFLECTS THE PRINCIPLE THAT THE FREE ENTERPRISE SYSTEM AND INDIVIDUAL CHOICE HAS BEEN -- AND REMAINS -- THE BEST VEHICLE FOR ENSURING THE MOST EFFECTIVE USE OF THE NATION'S RESOURCES TO MEET THE PEOPLE'S NEEDS.

THE PRESIDENT'S VIEW THAT NATIONAL DEFENSE MUST BE THE NUMBER ONE PRIORITY IS MANIFESTED IN THE BUDGET BY INCREASED MILITARY SPENDING OVER LAST YEAR. ALLOCATIONS FOR EDUCATION, HEALTH, HOUSING, TRANSPORTATION AND OTHER DOMESTIC NEEDS ARE ALSO HIGHER THAN LAST YEAR'S, BUT ARE BELOW WHAT PROPONENTS OF INCREASED SOCIAL SPENDING SAY IS NEEDED.

IT'S HIGHLY UNLIKELY THAT THE DEMOCRATIC-CONTROLLED CONGRESS WILL ACCEPT THE PRESIDENT'S PROPOSED BUDGET IN ITS ENTIRETY. THE DEMOCRATS SAY THAT THEY, LIKE THE PRESIDENT, WANT MORE ECONOMY IN GOVERNMENT, WANT REDUCED TAXES. BUT THEY CONTEND THAT STATE GOVERNMENTS AND PRIVATE INSTITUTIONS CAN NOT DEAL ADEQUATELY WITH THE MYRIAD OF CHALLENGES CONFRONTING THE NATION. AND THEY SAY THE FORD ADMINISTRATION'S RESPONSE IS TOO CONSERVATIVE. THE OPPOSING VIEWS REPRESENT A BASIC DIFFERENCE IN PHILOSOPHY.

BOTH THE REPUBLICANS AND THE DEMOCRATS, IN THIS PRESIDENTIAL ELECTION YEAR, ARE INTENT ON CORRECTLY EVALUATING THE PUBLIC MOOD. AND POLITICS WILL UNDOUBTEDLY

PERMEATE THE OUTCOME OF NATIONAL LEGISLATION. STILL, IT'S TO BE HOPED THAT THE LAWS WHICH DO EMERGE WILL RECOGNIZE THE PRESIDENT'S BUDGET AS AN EFFECTIVE TOOL OF U.S. NATIONAL GOALS.

GH/PY